

# Section 633

## **SEC. 633. ELIMINATION OF POSSIBLE INVERSION IN RETIRED PAY COST-OF-LIVING ADJUSTMENT FOR INITIAL COLA COMPUTATION.**

### **(a) ELIMINATION OF POSSIBLE COLA INVERSION**

- Section 1401a of title 10, United States Code, is amended --

(1) in subsections (c)(1), (d), and (e), by inserting `but subject to subsection (f)(2)' after 'Notwithstanding subsection (b)';

(2) in subsection (c)(2), by inserting '(subject to subsection (f)(2) as applied to other members whose retired pay is computed on the current rates of basic pay in the most recent adjustment under this section)' after 'shall be increased'; and

(3) in subsection (f) --

(A) by designating the text after the subsection heading as paragraph (1), indenting that text two ems, and inserting  
'PREVENTION OF RETIRED PAY  
INVERSIONS - ' before 'Notwithstanding';  
and

(B) by adding at the end the following new paragraph:

'(2) PREVENTION OF COLA  
INVERSIONS - The percentage of the first adjustment under this section in the retired pay of any person, as determined under subsection (c)(1), (c)(2), (d), or (e), may not exceed the percentage increase in retired pay determined under subsection (b)(2) that is effective on the same date as the effective date of such first adjustment.'

### **(b) TECHNICAL AMENDMENTS -**

Such section is further amended --

(1) in subsection (d), by inserting 'or on or after August 1, 1986, if the member or former member did not elect to receive a bonus under section 322 of title 37' after 'August 1, 1986,';  
and

(2) in subsection (e), by inserting 'and elected to receive a bonus under section 322 of title

37' after 'August 1, 1986,'.